

**IN THE UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION**

In re:

LIMETREE BAY SERVICES, LLC, *et al.*,¹

Debtors.

CHAPTER 11

CASE NO.: 21-32351 (DRJ)

(Jointly Administered)

REQUEST FOR PAYMENT OF ADMINISTRATIVE EXPENSE

Ironshore Specialty Insurance Company (“Applicant”) hereby applies for entry of an order allowing as an administrative expense, insurance premiums in the amount of \$390,780.00, incurred by the estate in connection with Applicant’s policy number 002626704 (the “Policy”). The Policy’s extension endorsement premium came due and owing on August 8, 2021, after the captioned bankruptcy case was filed, and covered the estate, per the terms of the Policy, from June 1, 2021 through December 1, 2021. The premium was not paid.

Section 503(b)(1)(A) of the Bankruptcy Code governs allowance of administrative expenses, and provides, “After notice and a hearing, there shall be allowed administrative expenses, , including — (1)(A) the actual, necessary costs and expenses of preserving the estate....” An expense qualifies for allowance under section 503(b)(1)(A) if the Applicant's efforts resulted in a post-petition actual and demonstrable benefit to the estate. *In re Phones for All, Inc.*, 288 F.3d 730, 732 (5th Cir. 2002); *accord, In re American Plumbing & Mechanical, Inc.*, 323 B.R. 442, 459 (Bankr. W.D.Tex. 2005). The benefit is measured from the point of view of the estate,

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, as applicable, are: Limetree Bay Services, LLC (1866); Limetree Bay Refining Holdings, LLC (1776); Limetree Bay Refining Holdings II, LLC (1815); Limetree Bay Refining, LLC (8671); Limetree Bay Refining Operating, LLC (9067); Limetree Bay Refining Marketing, LLC (9222). The Debtors’ mailing address is Limetree Bay Services, LLC, 11100 Brittmoore Park Drive, Houston, TX 77041.

as opposed to the Applicant. *Matter of Strause*, 40 B.R. 110, 113 (Bankr. W.D.Wis. 1984) ("... the principal purpose of according administrative priority to claims for benefit to the estate is to prevent unjust enrichment of the debtor's estate, rather than simply to compensate the creditor").

Payment of the premium for the Policy constitutes an actual, necessary expense of preserving the estate. Accordingly, Applicant respectfully submits that good cause exists for the estate to pay the premium, and requests that the Court enter an order requiring payment of the premium in the amount of \$390,780.00.

Prior to filing this Request for Payment of Administrative Expense, counsel to Applicant engaged in communications with Debtor's court-appointed counsel in order to resolve this claim and Applicant has provided Debtor's counsel with copies of an accounting, applicable policies and extensions, and other information as requested. These documents have not been appended to this request, but will be filed promptly together with any necessary declarations if allowance and payment of this administrative claim is subject to dispute.

Dated: April 27, 2022

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By: w/ Aron M. Oliner

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